

INTERNATIONAL ORGANIZATIONS DIVISION

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The International Week

Bidault's proposal to create an Atlantic High Council supports the recent trend toward extending cooperation between the NAT nations to the economic and political fields. Lie considered visiting Moscow during his European trip, while at the UN the Soviet bloc walked out of still another subcommission. The International Federation of Christian Trade Unions will shortly consider the form of its relationship, if any with the Free Trade Union Confederation.

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No present prospects for Arab-Israeli negotiations. The negative responses received by Palestine Conciliation Commission (PCC) Chairman Boissanger during his recent Near East visit together with the Jordan election results have for the time being brought all progress toward an Arab-Israeli settlement to a virtual standstill.

Boissanger tried unsuccessfully to sell both sides on the new PCC approach whereby separate committees were to combine mediation and direct negotiations. The Arab League at its Cairo meeting, which unfortunately coincided with Boissanger's trip, declined participation in the proposed PCC committees until Israel accepts the 11 December 1948 General Assembly resolution calling for repatriation of Arab refugees. Inasmuch as Israel has consistently refused any substantial commitment on refugees except as part of a general settlement, the Arab League's answer simply reaffirms the original deadlocked position. Meanwhile, the Israelis having written off all prospects of headway through the PCC, have finally appealed to world public opinion by releasing their broadside attack on the Arab record of resistance to the PCC's conciliation efforts. Thus for the time being, it is difficult to see what more the PCC can do.

The prospects for renewing the interrupted Jordan-Israel talks are not much brighter. The Jordan elections returned a parliament reported to favor Arab unity and oppose any approach to Israel, and if Abdullah who had initially encouraged the negotiations, carries out his promised constitutional reforms, his power over the government should be substantially reduced. In fine, despite occasional conciliatory expressions of opinion by individual Arab statesmen,

the Arabs collectively and publicly continue to support a wholly negative policy vis a vis the Israelis in the hope of eventually wearing them down through political and economic attrition.

Catholic-Socialist cooperation at stake in European labor meetings. Some progress toward closer association between the Christian and Socialist trade unions of Western Europe will probably emerge from two international conferences being held this week. In Rome, the ERP trade union organizations will consider proposals to liquidate the 15-nation ERP Trade Union Advisory Committee and transfer its OEEC labor advisory functions to the Free Trade Union Confederation (ICFTU). The Christian national labor organizations, still predominantly hostile to the ICFTU, are expected to oppose and, in the event of such a transfer, to demand consultative status for the Christian labor international (CISC). Subsequently, in Brussels the CISC will consider the invitation extended to the Christian unions to join the ICFTU and dissolve the CISC within two years. Following a recommendation of the Belgian Catholic federation, the Christian labor federations will attempt to draft a joint reply to this invitation.

In view of the strong opposition of most of the Christian trade unions to dissolving their own international at this time, the other Western labor leaders will probably: (a) agree to continue the ERP Trade Union Advisory Committee temporarily, thus avoiding separate representation for Christian unions in the OEEC; and (b) seek to dissuade the Christian labor leaders from rejecting the ICFTU invitation by letting them "associate" with the new labor international through CISC. Such a compromise would permit continued efforts to strengthen cooperation between the major European non-Communist labor organizations and would encourage French and Italian Catholic labor elements currently seeking to gain wider support for ICFTU affiliation.

ATTACHMENT FOR DEFENSE

With the development of outline plans for the defense of the North Atlantic, attention has focussed on the crucial problem of how to finance these plans. This will be a key issue at the forthcoming NAT Council meeting. The staggering cost of even minimal defensive strength (estimated at several billion dollars) and its possible impact on the still shaky European economy have opened the eyes of NAT members to the importance of adequate financing. The chief participants are conscious that the Brussels Treaty machinery broke down at this point when the Foreign Ministers proved unwilling to put up enough money for the Defense Ministers' plans. This problem must now be faced in the wider NAT context, and in the atmosphere of greater urgency created by Soviet atomic development and increased Soviet power and aggressiveness.

Because of the magnitude of the rearmament required and the economic weakness of the European NAT members, all participants recognize that rearmament is possible only through the highest degree of joint effort, including increased European defense expenditures and continued extensive US aid. Two obstacles, however, arise in this connection, the difficulty of fully integrating military efforts and European reluctance to make substantial outlays for defense. Despite widespread recognition of the necessity for mutual aid and defense integration, even the Brussels Treaty nations have taken but limited steps in this direction. Defense budgets are still prepared on primarily national lines instead of being adjusted to common needs; there is still an effort to create national military self-sufficiency through balanced forces; each nation tends to prefer its own weapons, etc. Moreover, as the British point out, the various members are not making comparable outlays for the common defense. To meet this problem, the Dutch and Italians, for example, have suggested some form of common financial "pool."

While in general willing to undertake whatever limited rearmament is within their capabilities, the Europeans also insist on giving priority to economic recovery. Moreover, such countries as the UK, the Netherlands, and Denmark, the first two of which already spend a large portion of their budgets on defense, do not believe that they can spend much more. This conflict between defense and economic recovery will become a major obstacle if the European financial effort is to be increased much beyond its present scale. It is responsible for the existing tendency toward divergence between the Defense and Finance Ministers over whether budget outlays should be raised to meet defense needs or whether these needs must be trimmed to fit the budgetary resources available. The UK has been the strongest protagonist of the latter view.

It is clear from these obstacles that the second and implementing stage of NAT development will be far more difficult than the initial planning phase. The Europeans are becoming concerned over the financial problem and look anxiously to the leadership and continued major financial aid of the US. Despite their present emphasis on purely national interests, they are more willing than ever before to accept mutual coordination and have come to expect US initiative in this sphere. Vigorous US leadership in getting the NAT Finance Ministers to ask the Defense Committee for the cost of implementing combined plans should increase European confidence in US support. Acutely aware of their own economic weakness, the Europeans will of necessity expect the US to foot a major portion of the bill. Moreover, since the US itself has heretofore insisted on overriding priority for recovery measures, they will seek a US decision upon the relative emphasis to be placed on defense expenditures and assurances of continued US economic aid to compensate for any greater diversion of their own resources to defense.